BEFORE THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA COLUMBIA, SOUTH CAROLINA [Hearing Held in Spartanburg, SC] **HEARING #10794 JULY 17, 2006** 6:30 P.M. DOCKET NO. 2006-107-WS: UNITED UTILITY COMPANIES, INC. - Application for Approval of an Adjustment of Rates and Charges and Modifications to Certain Terms and Conditions for the Provision of Water and Sewer Service. **HEARING BEFORE:** CHAIRMAN G. O'Neal HAMILTON, Presiding; VICE CHAIRMAN C. Robert Moseley and Commissioners John E. "Butch" Howard, David A. Wright, Elizabeth B. Lib FLEMING, Mignon L. CLYBURN, and Randy MITCHELL. Legal Advisor to Commissioners: F. David Butler, Senior Counsel. Commission Technical Advisor: James B. Spearman, Ph.D. **STAFF:** Charles L.A. Terreni, Chief Clerk/Administrator; Jocelyn G. Boyd, Deputy Clerk; Phillip Riley, Advisory Staff; and MaryJane Cooper, Court Reporter. **APPEARANCES:** John M. S. Hoefer, Esq., representing UNITED UTILITY COMPANIES, INC., Applicant. Nanette E. Edwards, Esq., representing THE OFFICE OF REGULATORY STAFF. TRANSCRIPT OF TESTIMONY AND PROCEEDINGS VOLUME 1

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| 1 | CHAIRMAN HAMILTON: First, I'd like to welcome |
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| 2 | each of you to the Public Service Commission's Hearing. |
| 3 | Hopefully, we'll be able to get the information that you |
| 4 | want to have us leave with tonight. Each and everyone of |
| 5 | you that signed up tonight will have an opportunity to speak, |
| 6 | and we look forward to what you have to say. |
| 7 | First, I'd like to introduce our Commissioners, and |
| 8 | I'll start on my right with Commissioner Lib Fleming, Com- |
| 9 | missioner Mignon Clyburn, and Commissioner Randy |
| 10 | Mitchell, and on my left we have Commissioner Butch |
| 11 | Howard, Commissioner David Wright, Vice President- |
| 12 | Bob Moseley. I'm O'Neal Hamilton, Chairman of the |
| 13 | Commission; and Mr. David Butler is our Senior Staff |
| 14 | Attorney who will be explaining to you the rules and |
| 15 | procedures of tonight's hearing. Mr. Butler. |
| 16 | F. DAVID BUTLER: Thank you, Mr. Chairman, |
| 17 | very much. Again, as Chairman Hamilton stated, I'm |
| 18 | David Butler, Senior Counsel, and on behalf of the |
| 19 | Commission Staff, I also want to welcome you here tonight. |
| 20 | In just a moment we'll be the calling names of the |
| 21 | people who have signed up to speak tonight, but I have a |
| 22 | couple of announcements to make first, and also the ground |
| 23 | rules. |
| 24 | This is the hearing in Docket No. 2006-107-WS |
| 25 | regarding the Application of United Utility Companies, |

| 1 | Inc., for Adjustment of Rates and Charges and |
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| 2 | Modification of Certain Terms and Conditions for the |
| 3 | Provision of Water and Sewer Service. I might add, that |
| 4 | this if the first of five such public hearings that the Com- |
| 5 | mission is holding throughout the state. Tomorrow night |
| 6 | the Commission will be in Anderson. The Commission wi |
| 7 | also be holding public hearings in Gaffney, Greenville, and |
| 8 | Union as well. |
| 9 | I'd like to take this opportunity to introduce several |
| 10 | key people that are with us tonight. First, with the Com- |
| 11 | mission Staff, we have Mr. Charlie Terenni who's the |
| 12 | Chief Clerk/ Administrator, seated to my right. We have |
| 13 | Ms. Jocelyn Boyd, Deputy Clerk, seated to my left; and |
| 14 | we have various other Commission Staff members, who |
| 15 | some of them signed you in on the way in. We also |
| 16 | have Ms. Nanette Edwards from the Office of Regulatory |
| 17 | Staff, who is with us tonight. She is the Deputy General |
| 18 | Counsel; and we have Mr. Willie Morgan who is in the |
| 19 | Water/Wastewater Division. We also have Ms. April Sharpe |
| 20 | who is the head of the Consumer Services Division. |
| 21 | Also with us tonight, we have Mr. John Hoefer who |
| 22 | is counsel for United Utility Companies, and Mr. Hoefer is |
| 23 | here with his clients who are various members, repre- |
| 24 | sentatives of United Utility Companies, who are seated to |
| 25 | his left. |

| 1 | I wanted to make a few further announcements |
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| 2 | and announce the ground rules, if I may. Again, everything |
| 3 | you have to say will be put into the record of this case. |
| 4 | Everything that you say will be taken into the record by |
| 5 | means of our Court Reporter, who is seated to my right. |
| 6 | You will be sworn in prior to giving your statement, and |
| 7 | please, after you're sworn in, state your name and address |
| 8 | so that the Court Reporter will be able to identify you at a |
| 9 | later time. Also, if you will, please speak into the micro- |
| 10 | phone that's up here in front of us so that we can hear |
| 11 | what you say, and everybody can hear you. |
| 12 | Now, you may be asked questions by |
| 13 | Commissioners or a company attorney, please remain at |
| 14 | the podium for a moment after giving your statement so |
| 15 | that the Commissioners or the company attorney or Office of |
| 16 | Regulatory Staff may ask you any questions that they have. |
| 17 | Another thing that I needed to announce is that if |
| 18 | you filed in Columbia as a formal Intervenor or party of |
| 19 | record to this case or as a witness for an Intervenor, you |
| 20 | cannot speak tonight, you must safe your testimony for |
| 21 | the hearing in Columbia. Also, if you speak as a public |
| 22 | witness tonight, you will not be permitted to speak at any |
| 23 | of the other public hearings that we're going to have. |
| 24 | Further, if another person happens to come up and says |
| 25 | what you want to say, and you say, " well, they just said |

what I want to say, I really don't want to speak anymore", 1 then it's okay for you to just adopt their statement and 2 3 decline to speak when it comes your turn. You can just so indicated to us when your name is called. 4 5 Finally, I might just say that tonight the focus is on you as consumers of this utility. This is a time for you to 6 7 come up and make your statements with regard to the 8 proposed rate adjustment that United Utility is proposing. 9 I might say, this hearing is not a time to ask the Com-10 missioners questions, but again, it's a time for you to be 11 heard on the subject of the proposed rate increase. Also, 12 your time to address the Commissioners is during this 13 hearing itself. In other words, whether than approaching 14 the Commissioners after the hearing with statements, 15 please place your comments on the record at the podium so that they can be recorded for all parties. 16 After the hearing, you may speak to representatives 17 18 of the Office of Regulatory Staff, who again, are here; the 19 company representatives – with any questions that you 20 may have. So, if you have questions, please hold them for 21 those parties after the hearing. 22 And, Mr. Chairman, without further adieu, if it's 23 agreeable with you, I can begin calling the names of the 24 people who have signed up who wish to testify. 25 CHAIRMAN HAMILTON: Yes, sir.

| 1 | MR. BUTLER: All right. First, I would like to call – |
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| 2 | CHAIRMAN HAMILTON: Excuse me, sir. |
| 3 | JOHN M. S. HOEFER.: Mr. Chairman, before the |
| 4 | first witness is sworn, I have an objection we want to cite |
| 5 | for the record. |
| 6 | The applicant would like to state its objection to |
| 7 | testimony consisting of unsubstantiated complaints |
| 8 | regarding customer service, quality of service, or customer |
| 9 | relations issues. The basis for this objection is the receipt |
| 10 | and reliance on such testimony would deny the applicant |
| 11 | due process of law, permit complaint procedures estab- |
| 12 | lished under law and Commission Regulations for the |
| 13 | determination of such matters to be circumvented, and is |
| 14 | an inappropriate basis for the determination of just and |
| 15 | reasonable rates. |
| 16 | In support of this objection, applicant would cite |
| 17 | Patton v. PSC, 312 SE ^d , 257, and Order of the Court of |
| 18 | Common Pleas in the Tega Cay Water Service v. PSC, Civil |
| 19 | Action No. 97-CP-40-0923, and Commission Order |
| 20 | No. 1999-191, Docket No. 96-137-WS, which was a |
| 21 | March 16, 1999, Order. |
| 22 | The applicant would request that this objection be |
| 23 | deemed a continuing objection such that there would not |
| 24 | be a need for repeated objections each time a customer |
| 25 | testifies matters of this nature, and cites in support of that |

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request State v. Douglas, 626 SE^d, 59. The applicant 1 would move that the objection also applies to documents 2 3 and testimony elicited under examination; and requests that the Chairman defer ruling on the continuing objection 4 5 until a final Order is issued in this case. CHAIRMAN HAMILTON: Thank you, Mr. Hoefer. 6 Ms. Edwards? 7 8 MS. EDWARDS: :Yes, thank you, Mr. Chairman, Commissioners. I would like to take a moment to respond 9 10 to Mr. Hoefer's remarks. 11 On behalf of the Office of Regulatory Staff, we don't 12 oppose the process proposed by Mr. Hoefer; however, 13 we do disagree and do not believe that a complaint has 14 to be corroborated or substantiated in any way other than through the customer's testimony. Therefore, we would 15 respectfully submit that we believe that the testimony the 16 company objects to is admissible for purposes of this night 17 18 hearing. And we also don't believe that the legal authority 19 cited by the company fully support the grounds for which 20 they are the basis for their objection. Keeping this in mind, 21 we would ask that the Commission note our position for 22 the record, and we would like to reserve our rights to respond 23 more fully in writing as appropriate. 24 Additionally, we would also ask of the company 25 that within a reasonable time after this night hearing and

United Utility — Spartanburg Docket No. 2006-107-WS Volume 1 once we have the transcript available, that the company 1 submit in writing the specific portions of the testimony 2 3 that they are objecting to along with the reason for the objection and the identity of the speaker. We believe that 4 5 this process would allow anybody who took the time out of their evening to come and speak here today to know 6 what portions of their testimony are being objected to. 7 8 We believe that this is a fair and reasonable request, and 9 we would hope that the company would agree. 10 Thank you. 11 CHAIRMAN HAMILTON: We will duly record your 12 objection and a final ruling will be made. 13 MR. HOEFER: Thank you, Mr. Chairman. 14 MR. BUTLER: Thank you, Mr. Chairman. The first person that we call is Mr. Joe Metts. Joe 15 Metts, please come forward. 16 17 WHEREUPON, Joe Metts first being duly sworn, assumes the stand and testifies as follows: 18 19 MS. BOYD: Could you state your name and address 20 for the record, please? 21 **TESTIMONY BY JOE METTS:** 22 Α My name is Joe Metts. My wife and I live at 226 River Forest Drive. We're the 23 oldest members of that community as far as time that we've been there. I'd 24 like to thank the Commission for coming. We've met before, we were unhappy

with the results, but we are trying again. I'd like to give a little recap of what's

happened in our community since the inception of this United Utilities.

United Utilities acquired our sewer system from R&R Environmental in 1983. At that time we were paying \$15.00 a month total for sewage, processing, everything. [INAUDIBLE] the whole thing at that time. When United took over, they went to \$15.00 a month, which included processing. That was high at that time but it was not unreasonable. In 1990 United requested a rate increase to \$19.00 a month plus actual processing charges. The PSC approved \$15.00 plus actual processing. This represents a 100% increase in costs to us. At this point, it's getting out of hand, but we're not through yet. In 2002, United requested an increase to \$27.50 a month. The PSC approved \$18.09. Immediately upon receiving this charge of \$27.50. United Utilities increased rates to \$25.20 under bond. Their reason for increasing under bond was, their company was unhappy with the amount of profits. You know, in private industry, I'm an accountant. I just can't go out there and raise rates. This is a monopoly. This is unreasonable.

There's two ways to improve profits, as you all know. One is to go out and get more business; another is to become more efficient. They can't become more efficient because Spartanburg Sewage is doing the processing. The only thing they collect is off the top. We see these guys maybe once every six months when they come out there to ride up and down the road or do something. I have seen very little work done for this \$25.20.

United Utilities is now requesting a rate up to \$33.00, which is another 36% increase. I get bills every month. My sewage bill is higher than the processing bill than the county's for processing is. It's one and a half times the amount of water they consume, and this water's also processed.

And I'd like to ask the Commission — when we met before, and you

approved the price of \$18.09, how could you legally three months later turn around and give the same company \$24.66, and you said you went up there and audited the books? Now, to me if they were justified \$18.09 at that point, overhead does not increase that fast.

I'd also like to – I've been trying to find out how an utility company from Chicago can come into South Carolina and pick a little niche like ours, and perform. Sure, they cannot perform the efficiency of someone around here; how do they get it? And, one other thing — everybody out there pays the same amount for sewage every month, whether you've got ten people in your home or you've got one; that is unfair. It may be unlawful; I'm not sure.

The PSC has allowed this company to increase our costs over 800% in the last 15 years. You know, if I was making \$500 a week back then, I'd have to be making \$4,000 a week now to keep up with that, and a private company cannot stay in business doing this, but it appears that the Public Service Commission is really not looking out for the consumers' benefits, as if they should.

I'm paying double the amount for sewage as the people that are backed right up next to me, that my land connects to, and that rubs me wrong every month when I cut a check for \$45 and knowing that they're getting it for \$24. I mean, who's looking at the books? You know, the effect on the neighborhood is drastic. We've got a young couple that's out there that's just moved in. I talked with them the other day. They didn't even know they had sewage that they had to pay. They've been there for five months. The Public Service Commission has not sent them the first bill. Who's paying for their sewage? We are. So, it's a sloppy-run organization that you guys are approving that are asking for increases.

| You know, it's harder to sell houses out there. If you knew that you had |
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| to go in that community and pay \$60 to \$90 a month for water and utilities, you |
| could go across the street and buy the same house and pay \$24, would you |
| buy out there? There are houses for sale out there, but nothing is happening. |
| A lot of us out there are getting old, on retirement and fixed incomes. Every |
| time I think that I've got ends meet so I can quit work, something goes up. |
| Sewage goes up, taxes go up. In fact, we're paying taxes on our county, on |
| our house now, we're paying sewage tax. What benefit is this to us? And, the |
| sewage when it was put in, when we bought out there originally, the sewage |
| line that was put in was put in by the contractor. We paid for the sewage line, |
| for everything that went in, because it was included in the price of the land |
| when we got it. So, I think that – it tears me up that we're paying twice the amount |
| of someone that's connected to me. |
| What I'd like to see done, gentlemen, this cannot be feasible to United |
| Utilities to keep operating this. I would like to see them sell it to Spartanburg |
| Sewer System or whoever is in charge, buy it out, and let's run it like we run |
| everything else around the neighborhood. Let's be compatible and |
| comparable, and I feel we're not. Thank you for your time. |
| CHAIRMAN HAMILTON: Just a second, sir. We |
| might have some questions from the table. |
| MR. HOEFER: No questions, Mr. Chairman. |
| CHAIRMAN HAMILTON: Ms. Edwards? |
| MS. EDWARDS: No questions. |
| CHAIRMAN HAMILTON: Commissioners? Ms. |
| Clyburn. |

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| 1 | EXA | MINATION BY COMMISSIONER CLYBURN: |
| 2 | Q | Good evening, Mr. Metts. |
| 3 | Α | Hi. |
| 4 | Q | I just wanted to ask you a couple of questions. You said you were one of the |
| 5 | | older residents, if not the older – not by age of course, just by — |
| 6 | Α | It could be my age also. |
| 7 | Q | I'll debate that for you, okay. How long have you been - |
| 8 | Α | We bought the house new in 1974. We are the first owners of the house, and |
| 9 | | it was the last house in the community — |
| 10 | Q | Okay, and again, your issues – you were real clear in terms of what your issue |
| 11 | | is, and it's price. |
| 12 | Α | It's price, and I think it's an exorbitant price that we're paying for no service. |
| 13 | Q | Yes, sir. I wanted to ask you a bit about service. If I wanted to get a feel for |
| 14 | | that — can you tell me, give me a snapshot of what type of service you receive. |
| 15 | Α | What kind of service do you require — I mean, there's a line that goes out in |
| 16 | | the street and hauls the sewage away, and it's backed up a couple of times |
| 17 | | over the years, but that's something that really doesn't require service. That's |
| 18 | | why I'm questioning why are they getting \$25 a month to handle invoicing. |
| 19 | Q | Okay. So, let me get clarity here. So, you are sewer only? |
| 20 | Α | Sewer – the water's on top of that, correct. We pay \$25 a month to the Inman- |
| 21 | | Campobello Water District for water, |
| 22 | Q | Okay, okay. You pay — okay. So, you've got two different bills? |
| 23 | Α | I get two different bills every month. |
| 24 | Q | Okay. I did have another question. |
| 25 | Α | So, we're looking at \$80, \$89 a month. |

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| 1 | Q | For water and sewer? |
| 2 | Α | Water and sewer. |
| 3 | Q | You mentioned your neighbors who — the price differential with your |
| 4 | | neighbors — and your neighbors are hooked to a municipal system — I was |
| 5 | | going to ask you — |
| 6 | Α | Yes, they – |
| 7 | Q | Let me ask you — |
| 8 | Α | They are hooked to the Spartanburg Sewage System. They connect up to my |
| 9 | | lot behind us. The street that we're on, it's basically one street that deadends, |
| 10 | | offshoots into their residence and it backs up to other developments that are |
| 11 | | right behind us. |
| 12 | Q | Yes, sir. |
| 13 | Α | My house connects to a duplex sixty feet from it that has Spartanburg Sewage. |
| 14 | Q | I see. Thank you for the clarity. |
| 15 | EXAN | MINATION BY CHAIRMAN HAMILTON: |
| 16 | Q | Are you in or out of the city limits? |
| 17 | Α | We're outside of the city limits. |
| 18 | Q | Outside the city limits. |
| 19 | | CHAIRMAN HAMILTON: Any other questions? |
| 20 | | [No Response] |
| 21 | | CHAIRMAN HAMILTON: Thank you, sir. |
| 22 | | MR. METTS: Thank you. |
| 23 | | MR. BUTLER: I'd like to call Mr. John M. Davis Jr., |
| 24 | | please. |
| 25 | | |

| 1 | WHEREUPON, John M. Davis, Jr. first being duly |
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| 2 | sworn, assumes the stand and testifies as follows: |
| 3 | MS. BOYD: Would you state your name and |
| 4 | address for the record, please? |
| 5 | TESTIMONY BY JOHN M. DAVIS, JR.: |
| 6 | A My name is John M. Davis Jr. I live at 230 River Forest Drive. I've lived at River |
| 7 | Forest for now about 27 years. So, it's a good neighborhood. I like it. We're |
| 8 | thankful for all the parties being here and hearing us out. |
| 9 | This neighborhood has a problem, I mean, mainly it's United Utilities, |
| 10 | and we need some help. The charges are excessive for a little piece — the |
| 11 | charges are excessive for a little piece of pipe. I mean, we're talking about when |
| 12 | this pipe comes from the house — we're having to pay out to the curb and |
| 13 | then United Utilities from there to the sewer, maybe 10 to 12 feet; that's about |
| 14 | it. I mean, the rest of it, if something happens on our side, we pay for it. If it |
| 15 | happens on the other side, we call them and they take care of it. Like I said, |
| 16 | I've lived there about 27 years, and I could almost have this pipe gold-plated |
| 17 | as much as I've put in the pipe. I mean, it's terrible. I mean I don't know when |
| 18 | it will end. |
| 19 | Well, what I want to say is, we need to get rid of this company and have a |
| 20 | Sewer System take over. If there's some way to do it, I mean, we'll do it. Other |
| 21 | neighborhoods up there, like Springfield Subdivision, they had the same problem. |
| 22 | The Sewer took over that. I think Bonneville had it. The Sewer Commission |
| 23 | took over that. I mean, we're just a little neighborhood there. We're an old |
| 24 | neighborhood. We're not new houses. You know, most houses are, like Joe, |
| 25 | he's lived there the longest. You know, I live two houses away from Joe. There's |

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| 1 | | young people that live up there. There's old people, there's people that's on f | ixed |
| 2 | | incomes, people that are out of work and they've got a lot of kids, they've go | got |
| 3 | | a lot of bills. I mean, we just don't need this excessive charge that they wa | nt. I |
| 4 | | mean, I think we're paying enough as it is. | |
| 5 | | But, there's no monitoring of this water coming in. I mean, we buy fr | om |
| 6 | | the Inman-Campobello Water District, and I've got all my bills right here. It see | ems |
| 7 | | like the water bill is less than the sewer charge, and their charge —their cha | rge |
| 8 | | is the highest. The water bill is the lowest. I'm just a one-person family. I've | Э |
| 9 | | got one person, me, that lives there by myself. I mean, I pay the same thin | ıg |
| 10 | | as people with, I mean, they've got six, ten people in a house - pay the sa | me |
| 11 | | thing. That's what I want to know. Why do we all pay the same, or not pay | at |
| 12 | | all? There's some people up there that we talked to that don't pay. It don't | – I |
| 13 | | mean, they just moved in, but they hadn't found out ahead or something. | |
| 14 | | What I want to know is, if this doesn't go through, can we have a se | ptic |
| 15 | | tank put in and just do away with all of that up there. I mean, this neighborho | ood |
| 16 | | just can't keep paying and paying and paying, I mean. | |
| 17 | | CHAIRMAN HAMILTON: Mr. Davis, I think you | |
| 18 | | have a lot of questions that you'll need to direct to eith | ıer |
| 19 | | the ORS or to the company attorney afterwards. We are | en't |
| 20 | | in a position to answer your questions. | |
| 21 | А | [Mr. Davis] Okay. I just put it out there. | |
| 22 | | CHAIRMAN HAMILTON: All right, sir. You've d | one |
| 23 | | a good job of putting it out there. | |
| 24 | Α | [Mr. Davis] And what I want to know is, when I moved up there, we had a | |
| 25 | | contract with United Utilities. I don't ever remember signing a contract with the | em. |

| 1 | | Where's the contract? Where's does it say that I have to pay that? I know they've |
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| 2 | | got the pipes out there, so I guess you have to. |
| 3 | | That's all I want to say, and thanks to all of the Public Service Commission |
| 4 | | for being here, everybody being here. |
| 5 | | CHAIRMAN HAMILTON: Thank you, sir. Wait just |
| 6 | | a minute. We'll see if there's any questions. Ms. Edwards? |
| 7 | | MS. EDWARDS: No questions. |
| 8 | | CHAIRMAN HAMILTON: Any Commissioners have |
| 9 | | any questions? |
| 10 | | COMMISSONER MITCHELL: I have one, Mr. |
| 11 | | Chairman. |
| 12 | | CHAIRMAN HAMILTON: Commissioner Mitchell. |
| 13 | | COMMISSIONER MITCHELL: Thank you, Mr. |
| 14 | | Chairman. |
| 15 | <u>EXAN</u> | MINATION BY COMMISSIONER MITCHELL: |
| 16 | Q | Yes, sir, you mentioned about your fee for your sewage was very large; could |
| 17 | | you tell me what your sewage fee is, what does it generally run? |
| 18 | Α | I've got it wrote down right here. |
| 19 | Q | An average. Give me the last three bills. Could you just tell me? |
| 20 | Α | Okay. I've got 2004, okay – |
| 21 | Q | No, I would like your last three months. Do you have like your last three months' |
| 22 | | sewage bill? |
| 23 | Α | Sure. |
| 24 | Q | Tell what your sewage bill's been in the last three months. |
| 25 | Α | Okay, 2005 — I've got from January to right now - \$196.72. |

| 1 | Q | I mean 2006, your last three bills. Do you have your last three bills, current bills? |
|----|-----|---|
| 2 | Α | Yes, sir. |
| 3 | Q | That's what I want. Could you just tell me what your last month – can you tell |
| 4 | | me what your last month bill was? |
| 5 | Α | Last month's bill? |
| 6 | Q | Yes, sir. |
| 7 | Α | \$16.12 water. |
| 8 | Q | What's sewage? |
| 9 | Α | For sewage - \$22.20. United Utilities - \$24.66. |
| 10 | Q | The \$22.20 was for water or — |
| 11 | Α | The District sewage charge, district treatment charge. |
| 12 | Q | And the full fee was what, \$24? |
| 13 | Α | \$24.66, that's what their charge is. Everybody pays \$24.66. I don't use that |
| 14 | | much water. My minimum bill is \$16.12. That's what Inman-Campobello Water |
| 15 | | District charges, minimum bill, \$16.12, whether you use any or not. |
| 16 | Q | And the minimum fee is \$24.66. Is that the minimum fee each month? |
| 17 | Α | Yes, sir. |
| 18 | Q | Okay. |
| 19 | | COMMISSIONER MITCHELL: Thank you, Mr. |
| 20 | | Chairman. That's all I have. |
| 21 | EXA | MINATION BY CHAIRMAN HAMILTON: |
| 22 | Q | So, you pay \$24.66 plus \$20 – |
| 23 | Α | Yes, sir. |
| 24 | Q | All right. |
| 25 | Α | And, also on our home taxes and car taxes, we're often charged for that sewer |

| 1 | | on top of all that. |
|----|-------------|--|
| 2 | Q | Yes, sir. |
| 3 | | CHAIRMAN HAMILTON: Do we have any other |
| 4 | | questions? |
| 5 | | Mr. Howard. |
| 6 | <u>EXAI</u> | MINATION BY COMMISSIONER HOWARD: |
| 7 | Q | On your bill, how much water do you use a month for the \$22.20? Do you |
| 8 | | remember? |
| 9 | Α | \$600.12 |
| 10 | Q | How many gallons does that represent, do you know? Do you have that number? |
| 11 | Α | I'd have to go back on my bills. I've got them right here. |
| 12 | Q | Well, you were charged, I believe I had a figure here of \$342 — how did the |
| 13 | | treatment charge figure, I guess is my question. How did they arrive at that? |
| 14 | Α | I don't know how it's broken down. I think it's the days of the month, they charge |
| 15 | | you so much. But, they charge, United Utilities, \$24.66 whether it's 28 days or |
| 16 | | 32 days, or 31 days. |
| 17 | FUR1 | THER EXAMINATION BY CHAIRMAN HAMILTON: |
| 18 | Q | But, the sewer charge is not based anywhere — there's no relationship between |
| 19 | | the sewer charge and the water charge? |
| 20 | Α | No. Nothing's monitored up there, so you pay it. |
| 21 | Q | You have a fixed water charge also? |
| 22 | Α | No, it starts at a minimum of \$16.12 whether you use any or not. I'm just a one |
| 23 | | person family. I don't use that much water. Somebody with probably a lot more |
| 24 | | in the family, they will be up above that. |
| 25 | | |

CHAIRMAN HAMILTON: Commissioner Wright. 1 2 **EXAMINATION BY COMMISSIONER WRIGHT:** 3 Q Just for clarification, did you say that you were on a fixed income or did you 4 just say -5 Α No, I work for the Spartanburg School. Q So, you said there were many people in the District, or the neighborhood? 6 7 Α There are a lot of people in the neighborhood on a fixed income. 8 CHAIRMAN HAMILTON: Thank you, sir, very 9 much. 10 MR. DAVIS: Thank you very much. 11 MR. BUTLER: I'd like to call Tammy Sell, please. Tammy Sell. 12 WHEREUPON, Tammy Sell first being duly sworn, 13 14 assumes the stand and testifies as follows: 15 MS. BOYD: Would you state your name and 16 address for the record, please? 17 TESTIMONY BY TAMMY SELL: Α My name is Tammy Sell. I live at 232 River Forest Drive with my family. I bought 18 19 my house in 1997 or '98, I can't remember exactly when. I was one of those 20 people that was not told about the charge, the sewer charge. I'd say five months 21 later, I got a disconnection notice in certified mail. And I was charged for the 22 person that previously lived there that didn't pay theirs and for the five months 23 that I had been living there. I had no idea what this was. I called them, and they 24 said that this is what you have to pay or it's going to be cut off. So, of course, 25 I had to pay it. I got the bill for the past five months, and my sewer runs a total

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of about \$41.80.

The last time that I had really had anything to say about this is when I had a contractor come out in my front yard, because I had let my bill get behind. I'd lost my job. And I noticed a contractor in my front yard, digging up my front yard, and I came out there and I asked him what was going on, and he said that they were representing the sewer company and they were putting in a stop from the line to the road to back it up if they wanted to have it cut off. I tried to tell them that I didn't want them digging up my front yard, and they said they had the right to do that. They said that they were doing this to people that – to people that are known to get behind on their bill. It's like every so often you'll go through the neighborhood and you'll see little orange tags hanging on mailboxes, and you know this is people that they're fixing to cut off their sewer. You know, when you lose your job or are on a fixed income or anything can happen and you get behind on this, this is something that you would think you could put in – at the bottom of your bills. But, it's not because it will back up into your house. So, you have to find some way to pay it. You know, people that's on a fixed income, you know, what are they going to choose — food or pay their utility bill?

And I was just wanting to add to some of what other people have said and just to say that I was one of those people that bought the house, did not know that there was a sewer bill, and about the contractor coming in and wanting to cut off the sewer. That's basically all I had to say.

CHAIRMAN HAMILTON: Let's see if we have any questions. Commissioner Clyburn.

| 1 | EXA | MINATION BY COMMISSIONER CLYBURN: |
|----|-----|--|
| 2 | Q | Ms. — spell your last name. |
| 3 | Α | S-E-L-L. |
| 4 | Q | Okay. I guess I was thinking more science. So, you said that there was — |
| 5 | | getting back to the more visible part of it. I know that you're talking about the |
| 6 | | fee. But, you're saying that there's an orange, that there's a tag on your mailbox? |
| 7 | Α | Yes, they'll come through and place orange tags on your mailbox if you get |
| 8 | | behind on your sewer bill. |
| 9 | Q | And, you know that's — |
| 10 | Α | I mean, you can tell that that's how you know that they're fixing to cut off your |
| 11 | | sewer. I mean, that's how they let you know. I mean, it's just a slip of paper, it's |
| 12 | | orange, and it's telling your behind on your sewer bill. |
| 13 | Q | And that is on the outside? |
| 14 | Α | It's on the outside of your mailbox, and it's hung on the flag. I've had them on |
| 15 | | my doors. I've had them on the flag on my mailbox, and I still have big orange |
| 16 | | writing that they spray-painted on my road in front of my residence where they |
| 17 | | were contracting to put in that block. |
| 18 | Q | With this piece of paper, is there something on it? |
| 19 | Α | Um-hum. |
| 20 | Q | It's like a — |
| 21 | Α | A notice. |
| 22 | Q | A notice. |
| 23 | Α | Um-hum. |
| 24 | Q | But, it's not inside your mailbox; it's outside of your mailbox? |
| 25 | Α | On the outside of your mailbox, and it's for everybody to read. |

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| 1 | Q | You've said you've been here since — you've been here about 8 years? |
|----|---|--|
| 2 | Α | Yes. |
| 3 | Q | So, you think. Okay, and that's an ongoing practice. I mean, I'm not trying – I |
| 4 | | guess I am getting into your business by asking you, but I'm trying to see - |
| 5 | | this has been a long standing practice in terms of the piece of paper you're |
| 6 | | talking about? |
| 7 | Α | Yes, ma'am. I've lost my job and went through a divorce and stuff like that and |
| 8 | | had just several incidences in my life to where I would get behind on bills, and |
| 9 | | you know, I know when that orange notice is on my mailbox, hanging on my |
| 10 | | door, then as I've caught mine up, you would see them throughout the |
| 11 | | neighborhood. |
| 12 | Q | Let me ask you this also. You get a monthly bill that I'm assuming about the |
| 13 | | same time every month |
| 14 | Α | Um-hum. |
| 15 | Q | And if you were to fall behind, say, fall behind 30 days, you get something that's |
| 16 | | written within an envelope. Give me a sequence. |
| 17 | Α | You get something that's written inside of an envelope. |
| 18 | Q | I'm assuming at the 30 days in arrears? |
| 19 | Α | Yes. |
| 20 | Q | Okay. |
| 21 | Α | And then you'll get the little red notice on your mailbox. |
| 22 | Q | What timeframe would that be? |
| 23 | Α | I'm not for sure. |
| 24 | Q | Okay. |
| 25 | Α | Then, I guess, some time within that period you'll get a certified letter in the |

| 1 | | mail saying that they're going to cut it off, because they told me they have to |
|----|-------------|---|
| 2 | | send you the certified letter first before they cut it off. |
| 3 | Q | Okay. Okay. |
| 4 | Α | Once you receive that certified letter, once you have it reconnected, you have |
| 5 | | to pay another \$250 fee to have it reconnected. |
| 6 | Q | Okay. \$250 fee for reconnection? |
| 7 | Α | \$250 to have it reconnected if you have it cut off. They said that that was their |
| 8 | | whole purpose of putting in all these systems, to have everything shut off, where |
| 9 | | it will back up into your house. |
| 10 | Q | So, okay, so from the first time – I'm following a sequence. From the first time |
| 11 | | you were to get the — from the first time that you would get your bill to the point |
| 12 | | where you would get your disconnection notice, because I'm going to assume |
| 13 | | like, because you know this, you've been through this process. |
| 14 | Α | Yeah. |
| 15 | Q | What kind of timeframe are we looking? |
| 16 | Α | I'd say a three-month period. |
| 17 | Q | Three-month period, okay. Thank you for being candid. |
| 18 | Α | Um, hum. |
| 19 | | CHAIRMAN HAMILTON: Any other questions? |
| 20 | | Commissioner Wright. |
| 21 | <u>EXAI</u> | MINATION BY COMMISSIONER WRIGHT: |
| 22 | Q | Ms. Sell, you mentioned that when you didn't know that they had a sewer charge, |
| 23 | | a bill, and that you got a disconnect notice, and there was a large amount of |
| 24 | | money that you had to pay, not just for you but for the previous resident? |
| 25 | Α | Um, hum. |

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| 1 | Q | Was anything ever done about that? |
| 2 | Α | I did have that taken off. They did – once I told them that I was a new resident |
| 3 | | there, they did take it off. |
| 4 | Q | Okay. I just wanted to be sure of that. |
| 5 | | CHAIRMAN HAMILTON: Any other questions? |
| 6 | | COMMISSIONER FLEMING: Yes. |
| 7 | | CHAIRMAN HAMILTON: Commissioner Fleming. |
| 8 | EXAM | MINATION BY COMMISSIONER FLEMING: |
| 9 | Q | They put the notice, they hang it on the outside of the mailbox? |
| 10 | Α | Yes, ma'am. |
| 11 | Q | Have you checked with the Postal Service to see if that's an appropriate thing |
| 12 | | to do? |
| 13 | Α | No, I have not. But, I've had them hang it on my door and then it's like, I guess, |
| 14 | | they don't want to get out to hang it on the door so they started hanging it on |
| 15 | | the mailboxes. But when I really got disturbed about it is when I found the big |
| 16 | | red writing in front of my residence. I called the water company, the cable |
| 17 | | company, the power company, and it never struck my mind to call the sewer |
| 18 | | company. The power company told me that well maybe I should try the sewer |
| 19 | | company. |
| 20 | Q | So, you feel like the procedure they use really lets the entire neighborhood |
| 21 | | know that you're — |
| 22 | Α | Oh, yes, because I have to say that writing, that writing is probably a good 2 |
| 23 | | feet, I mean, 2 by 2. |
| 24 | Q | There was no notice at that time? |
| 25 | Α | There was no notice at that time. |

| 1 | Q | That they were coming to disconnect? |
|----|------|---|
| 2 | Α | That they were coming out. I had to call them and say, you know, what's going |
| 3 | | on. When I called the utility company, they still couldn't tell me what was going |
| 4 | | on and then I just happen to notice the contractor out in my front yard, digging |
| 5 | | up my front yard. Then I asked him what's going on, and he said these are for |
| 6 | | people that are known to get behind. We're putting these throughout the whole |
| 7 | | neighborhood, but we're starting with the people that are more known to get |
| 8 | | behind on their bills. |
| 9 | Q | You had not gotten a bill previously before the first notice came that they were |
| 10 | | going to disconnect? Right after you moved in, you said four months later you |
| 11 | | got this? |
| 12 | Α | Yes. |
| 13 | Q | That was the first bill? |
| 14 | Α | I assumed that the bill that was coming in was for the person that was previously |
| 15 | | there. |
| 16 | Q | Oh, it wasn't in your name? |
| 17 | Α | It wasn't in my name, and it's illegal to open up somebody else's mail, so I |
| 18 | | never knew anything about it. The person that sold the house to me failed to |
| 19 | | mention it. Then I started getting like - I can't remember exactly how I went |
| 20 | | about finding out that I did have a sewer bill. |
| 21 | Q | Thank you. |
| 22 | | CHAIRMAN HAMILTON: Mr. Hoefer. |
| 23 | CROS | SS EXAMINATION BY MR. HOEFER: |
| 24 | Q | Ms. Sell, let me just ask you a question to make sure I understand. Your sewer |
| 25 | | service has never been disconnected, is that right? |

United Utility — Spartanburg Docket No. 2006-107-WS Volume 1 No, it has not. 1 2 Q Okay, thank you. 3 CHAIRMAN HAMILTON: Any other questions? [No Response] 4 CHAIRMAN HAMILTON: Thank you, ma'am. 5 6 Α Thank you. 7 MR. BUTLER: I'd like to call Tommy Cook, please. Tommy Cook. 8 9 WHEREUPON, Tommy Cook first being duly sworn, assumes the stand and testifies as follows: 10 11 MS. BOYD: Please state your name and address 12 for the record. **TESTIMONY BY TOMMY COOK:** 13 14 Α My name is Tommy Cook. I live at 534 Beaver Court in Spartanburg. I am not 15 a resident of the area, but I do own property there that we rent. Our complaint is that this utility company has always been extremely 16 17 high. We have single, one bedroom apartments, and they charge us the same 18 price that they charge a four-bedroom house with six or seven people living in 19 it, and we feel like that's unfair, and obviously if they go up, it will be more 20 unfair. We've owned the property about 25 years. We have trouble renting 21 our properties because we're \$40 of \$50 a month higher than folks across the 22 street. That's our complaint.

CHAIRMAN HAMILTON: Do we have any questions?

COMMISSIONER MITCHELL: I have a question.

CHAIRMAN HAMILTON: Commissioner Mitchell.

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| 1 | EXA | MINATION BY COMMISSIONER MITCHELL: |
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| 2 | Q | Yes, sir. That is a minimum fee that you're paying? |
| 3 | Α | That's correct. |
| 4 | Q | And you're telling me that the minimum fee is the same as any house; is that |
| 5 | | what you're telling us? Could you tell me the comparison there? |
| 6 | Α | We pay exactly the same thing as any house. |
| 7 | Q | The minimum fee if what? |
| 8 | Α | \$24.66 and then they tack on another \$8 or \$9 to the Spartanburg Waterworks |
| 9 | | on top of that, no matter how much water we use. |
| 10 | Q | And is that all, \$24.66 plus the \$8? |
| 11 | Α | It winds up being about \$31. |
| 12 | Q | \$31? |
| 13 | Α | Right. |
| 14 | Q | That's only for sewage? |
| 15 | Α | That's correct. |
| 16 | Q | You have other places that you rent throughout the area, and how does that |
| 17 | | compare? |
| 18 | Α | It's about three times the cost, because most of the time we have a building |
| 19 | | with one tap that has a sewer that's charged for water, you know, it goes with |
| 20 | | the water system. So, they charge us for how much water we use, and relatively |
| 21 | | it's about three times the cost. |
| 22 | Q | You say that would be the average for all the others? |
| 23 | Α | Yes, sir. |
| 24 | Q | Thank you. |
| 25 | Α | Thank you. |

1 CHAIRMAN HAMILTON: Anyone else? 2 Commissioner Clyburn. 3 **EXAMINATION BY COMMISSIONER CLYBURN:** Q 4 This is a follow-up to that, Mr. Cook. Again, you said you own a series of 5 apartment complexes on this property and elsewhere outside of this sewer district, coverage area I should say. 6 7 Α Right. 8 Q The other areas that you mentioned with the cost disparity, are you saying that 9 all of those are metered properties and this is the only unmetered property? 10 Α Yes. We don't have a lot, but the ones that we compare to are metered. So, 11 theirs is based on water usage, as opposed to the set fee. 12 Q In terms of your density, how many apartments are we looking at if you don't 13 mind me asking. 14 Α I have eight one-bedroom apartments. 15 So, you're saying this is a definite – this pricing structure is a definite economic Q 16 impact to you? 17 Α When we first built these apartments, we tried to have the tenants to pay the 18 sewer. They would stay two months and leave because their sewer was, again, 19 a lot higher than what they'd been used to paying. 20 So, your answer to that was to roll that into the amount of rent? Q 21 Α So, we rolled it into the rent. So, we collect the money for them because we 22 can't – so, we're doing some of their job by collecting their rent. We pay their 23 rent every month, I mean pay their sewage charge every month. We've also 24 have been 25 years of paying the full charges to them every month for like 25 these apartments were full. So, if we've got a vacancy, we're still paying a

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| 1 | | sewage charge. Now, just a couple of months ago they said, well, if you'll mark |
| 2 | | on your ticket they were vacant that month, we won't charge you for that. But, |
| 3 | | that was just a month or two ago that we knew that information. |
| 4 | Q | Okay. Thank you. |
| 5 | <u>EXAI</u> | MINATION BY CHAIRMAN HAMILTON: |
| 6 | Q | Do you receive eight single bills? |
| 7 | Α | Absolutely. |
| 8 | | CHAIRMAN HAMILTON: Any other questions? Mr. |
| 9 | | Hoefer. |
| 10 | <u>CRO</u> | SS EXAMINATION BY MR. HOEFER: |
| 11 | Q | Mr. Cook, are these the apartments that are owned by Cook and — |
| 12 | Α | That's correct. |
| 13 | Q | And a couple of these are quadraplexes, is that right? |
| 14 | Α | There's two quadraplexes, eight apartments. |
| 15 | Q | Okay. Thank you. |
| 16 | | CHAIRMAN HAMILTON: Anyone else? |
| 17 | | [No Response] |
| 18 | | CHAIRMAN HAMILTON: Thank you, sir. |
| 19 | Α | Thank you. |
| 20 | | MR. BUTLER: I'd like to call Rickey Skipper, please. |
| 21 | | Rickey Skipper. |
| 22 | | MR. SKIPPER: I'm going to decline. |
| 23 | | MR. BUTLER: Okay, thank you, Mr. Skipper. |
| 24 | | We'll go to Cecile Sallis, please. |
| 25 | | MS. CAROLYN SMITH: There are two names |

Docket No. 2006-107-WS Volume 1 United Utility — Spartanburg there — Cecile Sallis and Carolyn Reed Smith. I can't do 1 2 it under Sallis. 3 MS. BOYD: You can state your name for the 4 record. WHEREUPON, Carolyn Smith first being duly 5 sworn, assumes the stand and testifies as follows: 6 7 MS. BOYD: All right. Would you state your name 8 and address for the record, please? 9 **TESTIMONY BY CAROLYN SMITH:** Α 10 My name is Carolyn Reed Smith. The building is in my mother's name, Cecile 11 Sallis, but she lived with me at the time, and that we moved in, and she had 12 moved out of the apartment. So, I live there now. At the time that I moved in, it 13 was myself, my mother, my son, and my daughter, and then, you know, in the 14 process, now it's just my husband and I. So, I wanted to talk about the billing basically. I wanted to say that in 15 the process of time that I've lived here, there has been two increases. I was 16

So, I wanted to talk about the billing basically. I wanted to say that in the process of time that I've lived here, there has been two increases. I was there when we had — we came to the fire department, and we reputed a bill that we were paying like \$24 a month and then now, it's gone from \$24 a month to \$41 a month. In contrast, the City of Spartanburg, our bill is the same size for a monthly bill that they have every two months. It is not every month. They have bi-monthly billing. I went down, and I talked to them, and basically, you know, just asked them some questions, you know, how much do they charge, how much water do they process — and, they said per unit, you know, which is so many gallons, 900 and something gallons, they charge a flat rate, and they go by the amount of money — amount of water that a person uses. And that's

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how they charge.

So I sort of posed in my mind the process. Well, I've been here long enough to see a person double the amount that they charge, then why isn't it that there isn't a more efficient billing situation? So, I'm sitting here, and I just listened to a man that said he has a place where four families live a quadraplex, four families, I guess it's quad — four people live there, four families — and they're paying the same amount that I'm paying for my husband and I right now. So, I just wanted to know, why couldn't they be like Duke Power, okay, and Duke Power, they might take your month, they watch your billing for 12 months and they estimate, they average it and estimate how much you're going to pay and then that way all of the times that they're higher, the times that they're lower, you just pay one flat rate. Would that be so hard for them to do, especially since they're getting so much return on a \$1 – they paid \$1 in 1970, so they're getting a thousand, million times how much they, you know, they really earned for this place.

Or, could they be like Equifax where anybody, anytime you go to buy a car and then they can type up in the computer and then get all of your information. This computer system is something wonderful. I wish I could understand it, but I know that when I go and buy this car then they can type in a number and come up with all this information. Why couldn't United Utilities have that same connection with our water system so that they could directly relate what we're paying to the water? But, they're asking for more money, but we're not seeing anymore of an efficient way of billing.

Well, of course, it's already been said, and I'll say it again, that the way that they get rid of the sewage can't be anymore efficient because they're not

processing it. The City is processing it. So, there's no problem with that. They're 1 2 not having to pay any more than that. So, why can't the billing system be a 3 little bit more fair for people that are on a fixed income, people that only have 4 one or two people in the household. 5 And secondly, when it comes to billing for businesses, I was looking here and it says that a business place pays a flat rate as well. Well, what if 6 7 that business is a restaurant where they're having two and three people every 8 hour come in and flush, you know, that kind of thing. Why aren't all of these 9 things taken into consideration before they ask for it or prove that they're taking 10 this money and using it wisely. 11 That's the key thing. If I've had to pay for these many years, and I've 12 seen this increase and another increase, then I wouldn't mind if it were really 13 directly related to how much water I was using. So, that billing system is very 14 inadequate. They haven't tried to change it in 30 years, and they're just using this as their little "sugar daddy". 15 Thank you. 16 17 [Applause] CHAIRMAN HAMILTON: Any questions? 18 19 COMMISSIONER WRIGHT: I do. 20 CHAIRMAN HAMILTON: Commissioner Wright. 21 **EXAMINATION BY COMMISSIONER WRIGHT:** 22 Q Ms. Smith, what was your address? 254 River Forest Drive. 23 24 254. How many years have you lived there? Q 25 Off and on for five years.

| 1 | | CHAIRMAN HAMILTON: Any other Commissioners? |
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| 2 | | Commissioner Howard. |
| 3 | EXA | MINATION BY COMMISSIONER HOWARD: |
| 4 | Q | Your billing, you say you pay \$41 a month for sewer? |
| 5 | Α | Yes. |
| 6 | Q | That would be the \$24.66 flat rate plus your treatment fee which is based on |
| 7 | | the amount of water you use? |
| 8 | Α | It is not based on the amount of water. It's just a flat rate. |
| 9 | Q | Everybody pays the same treatment fee and the same — |
| 10 | Α | Yes. |
| 11 | | CHAIRMAN HAMILTON: Thank you, ma'am. |
| 12 | | MR. HOEFER: Excuse me, if I could ask one |
| 13 | | question. |
| 14 | CRC | SS EXAMINATION BY MR. HOEFER: |
| 15 | Q | What's the lady's name you mentioned? I think her name was Cecile. |
| 16 | Α | That's my mother. |
| 17 | Q | What's her name? |
| 18 | Α | Cecile Sallis. |
| 19 | Q | Could you spell the last name for me, please? |
| 20 | Α | S-A-L-I-S. |
| 21 | Q | The account is in her name? |
| 22 | Α | Yes. |
| 23 | Q | Thank you. |
| 24 | | CHAIRMAN HAMILTON: Thank you, ma'am. |
| 25 | | MR. BUTLER: I'd like to call Beverly Wade, please. |

Beverly Wade. 1 WHEREUPON, Beverly Wade, first being duly 2 3 sworn, assumes the stand and testifies as follows: 4 MS. BOYD: Would you state your name and 5 address for the record? **TESTIMONY BY BEVERLY WADE:** 6 7 Α My name is Beverly Wade, and I'm at 257 River Forest Drive. I've been at 8 River Forest – I've been at 257 River Forest Drive for three years now. I'm a 9 teacher; I get paid monthly. 10 The sellers of my home, they never disconnected the sewage. I had to 11 pay \$75 and a first month's bill, which ended up being a \$135. I sent a money 12 order. United Utilities lost my money order, and I had to pay it again. We've 13 searched for my money order. It had cleared and everything, but they never 14 credited it to my account. I was never notified by United Utilities that I had a sewage bill. I have wonderful neighbors who told me prior to me moving there 15 that I would have to pay sewage. They told me in 2001-2002 they had already 16 17 had an increase and when I moved in, my sewage bill is approximately \$44 to 18 \$48 every month. That's just my sewage bill. I moved from Duncan Park in 19 the City, and what I paid in sewage and water bill per month is about \$65, and 20 I was paying that same amount for [INAUDIBLE]. I live by myself, and I'm paying 21 monthly. When I got a notice in the mail that it was going up to, I believe about 22 \$65, with water and sewage included, that means I will be paying over \$80 a 23 month for water and sewage. 24 I've never met anyone from United Utilities. I've never received a call

from anyone with United Utilities. Unless my neighbors notified me, I wouldn't

| 1 | Domes | be paying a sewage bill, or I wouldn't know I had one. So, I guess my concern |
|----|-------------|--|
| 2 | | is, for all this money I'm paying, what exactly are they doing. |
| 3 | | [Applause] |
| 4 | | CHAIRMAN HAMILTON: Commissioners, any |
| 5 | | questions? Commissioner Clyburn. |
| 6 | <u>EXAI</u> | MINATION BY COMMISSIONER CLYBURN: |
| 7 | Q | Ms. Wade, again, you said you moved in three years ago? |
| 8 | Α | Yes, ma'am. |
| 9 | Q | You said you were made aware that there was going to be a separate – I'm |
| 10 | | assuming your water bill was coming to you? |
| 11 | Α | No, ma'am. |
| 12 | Q | I mean, the water bill I guess is something — because in dealing with this |
| 13 | | company we're just talking about sewer. |
| 14 | Α | Yes, ma'am. |
| 15 | Q | So, let me rephrase the question if you'd allow me to. You did not physically |
| 16 | | get any type of bill from the company? |
| 17 | Α | No, ma'am. And, again, the sewage was never disconnected from the sellers |
| 18 | | of the home, but I had to pay a reconnection fee and for new service, but it was |
| 19 | | never disconnected. |
| 20 | Q | How did you know to do that — |
| 21 | Α | My neighbors informed me. |
| 22 | Q | Then your next step was to call the company? |
| 23 | Α | My neighbors told me that I needed to call United Utilities because I had to |
| 24 | | pay for sewage, but I was never notified by United Utilities that I would have |
| 25 | | to pay a sewage fee. |

| 1 | Q | You never got a bill from the previous – you know, there was never a physical |
|----|---|---|
| 2 | | bill for the previous occupants? |
| 3 | Α | No, ma'am, no, ma'am. I'm assuming that if I didn't initiate the call to United |
| 4 | | Utilities, then I would have received a disconnection notice. But, again, the |
| 5 | | sellers never disconnected it. They kept everything; the water on and the |
| 6 | | sewage. So, when I purchased the home, basically all I should have paid was |
| 7 | | a transfer fee, in my opinion. But, I had to pay a reconnection fee for something |
| 8 | | that was never disconnected. |
| 9 | Q | Okay, got you on that. My question goes back to your attempts to comply with, |
| 10 | | quote-unquote, "reconnection process", and you said you went, and I don't |
| 11 | | know is there a policy since you would be a first time client – but, you went |
| 12 | | and physically got a money order. |
| 13 | Α | Yes, ma'am. I sent a money order to Columbia for my reconnection fee, and I |
| 14 | | believe it's my first month's bill. It's about \$135. |
| 15 | Q | Okay. |
| 16 | Α | Well, I got a bill. When I received my first bill, it said that if you don't pay such |
| 17 | | and such amount, your sewage would be disconnected. It was the same amount |
| 18 | | that I had sent. I called and I said, I sent a money order, and they told me to |
| 19 | | call because they hadn't credited that \$135 to my account. |
| 20 | Q | Okay. |
| 21 | Α | My money order, I called and had it traced, and it was deposited by United |
| 22 | | Utilities, but I never received that credit. So, I had to send that \$135 again. |
| 23 | | So, where I was supposed to pay \$135, ending up paying \$270. |
| 24 | Q | Got you. That was, again, after three years that was never – |
| 25 | Α | No, ma'am, no, ma'am. I've never received credit for that. But, because I do |

| 1 | | not want my sewage to be disconnected, I paid that bill again. But, again, I've |
|----|-----|---|
| 2 | | never met anyone from United Utilities. I've never seen a truck or anything in |
| 3 | | my neighborhood, and I don't understand the process of collecting sewage. |
| 4 | | But, just for me, I shouldn't pay the same amount for a full family. I guess I am |
| 5 | | on a fixed income, because I'm paid monthly, and I get the same thing every |
| 6 | | month regardless of what my bills are. |
| 7 | Q | Okay. I appreciate the feedback. Thank you. |
| 8 | Α | Thank you. |
| 9 | | CHAIRMAN HAMILTON: Any other |
| 10 | | Commissioners? |
| 11 | EXA | MINATION BY COMMISSIONER FLEMING: |
| 12 | Q | Yes, I'd like to ask about the money order. Do you have receipts for both of |
| 13 | | those money orders? |
| 14 | Α | Yes, ma'am. I have a receipt. I sent a check the second time because I figured |
| 15 | | maybe if they didn't get the money order, maybe I'd get a check; my checks |
| 16 | | come back to me. But, I still have the receipt for the money order, and I have |
| 17 | | the number and everything. It was never found, but it was noted that it was |
| 18 | | deposited by United Utilities. |
| 19 | Q | I think it would be good if we could have a copy of that. |
| 20 | Α | That's not a problem. That's not a problem. Not a problem at all. |
| 21 | | CHAIRMAN HAMILTON: Did you bring it with you |
| 22 | | by any chance? |
| 23 | | MS. WADE: No, sir. I didn't. |
| 24 | | CHAIRMAN HAMILTON: Commissioner Fleming, |
| 25 | | would you like to request a late filed exhibit? |

| 1 | | COMMISSIONER FLEMING: Yes, I would. |
|----|-----|--|
| 2 | | CHAIRMAN HAMILTON: If you would after the |
| 3 | | meeting talk with counselor Boyd and she can give you |
| 4 | | the information on how to supply that. |
| 5 | | CHAIRMAN HAMILTON: Mr. Hoefer? |
| 6 | CRO | SS EXAMINATION BY MR. HOEFER: |
| 7 | Q | Ms. Wade, the receipt your describing, that's what you got when you purchased |
| 8 | | the money order? |
| 9 | Α | Yes, sir. They give you a number to trace a money order. |
| 10 | Q | When you notified the company of this, did they ask you to provide them with |
| 11 | | a copy of the cancelled money order? |
| 12 | Α | Yes, sir. I did all of that – not the cancelled money order. I provided them with |
| 13 | | the information that I got from the money order that I purchased. |
| 14 | Q | How do you know that the money order was deposited? Somebody from the |
| 15 | | money order company tell you that? |
| 16 | Α | Yes, sir. It's a number on the back, and they'll tell you the day it was deposited |
| 17 | | and who deposited it. |
| 18 | Q | And can you tell me who that money order company was? |
| 19 | Α | I can't remember, but I can bring you the receipt. |
| 20 | Q | Well, but now the receipt just shows that you bought a money order. What I'm |
| 21 | | asking you is, do you have any documentation that shows that the money |
| 22 | | order was deposited? |
| 23 | Α | No, sir, I don't. I sure don't. |
| 24 | EXA | MINATION BY VICE CHAIRMAN MOSELEY: |
| 25 | Q | He's kind of answered my question. It's kind of like being in a rock and a hard |

| 1 | place, you cannot get a copy of a money order and cash it; very hard. All |
|----|--|
| 2 | you've got is the receipt that she had. I've been involved in this. I'm aware of |
| 3 | that. Thank you, ma'am. You answered what I needed. |
| 4 | A Thank you. |
| 5 | CHAIRMAN HAMILTON: Ms. Wade, if you'll supply |
| 6 | that information, talk to Ms. Boyd. It'll be late filed exhibit |
| 7 | No. 1, and we'll see that all parties receive a copy of the |
| 8 | information that we receive. |
| 9 | MS. WADE: Yes, sir. |
| 10 | CHAIRMAN HAMILTON: Thank you. |
| 11 | COMMISSIONER FLEMING: And the cancelled |
| 12 | check. |
| 13 | [HEARING EXHIBIT # RESERVED] |
| 14 | MR. BUTLER: We'd like to call Paul Houle, please. |
| 15 | Paul Houle. |
| 16 | WHEREUPON, Paul Houle first being duly sworn, |
| 17 | assumes the stand and testifies as follows: |
| 18 | MS. BOYD: Would you state your name and |
| 19 | address for the record, please? |
| 20 | TESTIMONY BY PAUL HOULE: |
| 21 | A My name is Paul Houle, and I live on 101 Forest View Drive in the River Forest |
| 22 | Subdivision. |
| 23 | I think what we're talking about here tonight is choice or the lack of |
| 24 | choice that the residents of River Forest Subdivision have on United Utilities |
| 25 | Company. We do not have a choice to go with another company. We certainly |

don't have the choice to be charged by usage, nor do we have the choice to 1 2 put a septic system in our yard, when we believe, which I know everyone here 3 tonight believes United Utilities Company is charging too much for our sewage. 4 I'll be very short, and all I'm going to do is I'm going to ask the Public 5 Works Commission to please do not put the interest of an out-of-state company before the interests of the residents of the state that you belong. 6 7 Thank you very much. 8 [Applause] 9 CHAIRMAN HAMILTON: Commissioners? **EXAMINATION BY COMMISSIONER CLYBURN:** 10 11 Q Mr. Houle, I respect you for being brief since we have to get back on the 12 highway. Let me ask you a couple of questions. Sure. 13 Α 14 Q Did you – how long have you lived there? 15 I've lived there for eight years. I am also one of those who – I bought the house 16 in June of '99 and in November was when I realized United Utilities, I believe, 17 contacted me and I had to give them a nice little check, and that's a Christmas 18 present I should say, in November because I had to catch up on all my months. 19 Q Okay. When you – again, I'm assuming this was, again, you said eight years 20 ago, and you went from – you were new to that particular residence. 21 Α That's correct. 22 Q Let me ask you this because I'm curious whether you had the same experience 23 as Ms. Wade and that – the experience was the same I guess on front end 24 because you did not know about this relationship with — 25 Absolutely.

| 1 | Q | Did you have to pay a reconnection fee or did you continue? |
|----|---|--|
| 2 | Α | Some times I don't remember what I had for dinner last night, so asking me |
| 3 | | what happened eight years ago — I'm not trying to be smart. I honestly don't |
| 4 | | know. I may be able to go back and check, and I will gladly give the Commission |
| 5 | | any sort of documentation that I have about that. |
| 6 | Q | Okay. Again, I'm kind of curious whether or not the beginnings of the relationship |
| 7 | | were similar, to be honest with you. |
| 8 | Α | I believe, if I could just mention, make a comment of what you're saying. I |
| 9 | | believe there's a pattern behavior here. |
| 10 | Q | If you – if my Chair will allow me to – you can tell I'm the trouble-maker in the |
| 11 | | group, but, if my Chair will allow me to, if we could hold that open as a late |
| 12 | | filed if you were able to put your hands on that to see whether or not, you |
| 13 | | know, again, your relationship — |
| 14 | Α | Sure. I'll do anything I can to make sure that, you know, United Utilities does |
| 15 | | not increase our rates, absolutely. |
| 16 | | CHAIRMAN HAMILTON: If you do have the |
| 17 | | information, please provide it, and we'll make sure all the |
| 18 | | parties get a copy of it. |
| 19 | | MR. HOULE: I certainly will. |
| 20 | | CHAIRMAN HAMILTON: Any other Commissioners |
| 21 | | have a question? |
| 22 | | [No Response] |
| 23 | | CHAIRMAN HAMILTON: Mr. Hoefer? |
| 24 | | MR. HOEFER: No questions, Mr. Chairman. |
| 25 | | CHAIRMAN HAMILTON: Sir, if you get it, It will be |

United Utility — Spartanburg Docket No. 2006-107-WS Volume 1 filed as a late filed exhibit. Thank you, sir. 1 [HEARING EXHIBIT #2 RESERVED] 2 3 MR. BUTLER: I'd like to call Elaine King. Elaine King, please. 4 WHEREUPON, Elaine King first being duly sworn, 5 assumes the stand and testifies as follows: 6 MS. BOYD: Would you state your name and address 7 8 for the record, please? 9 **TESTIMONY BY ELAINE KING:** Α I'm Elaine King, P.O. Box 233, Tigerville, South Carolina. I would like to give 10 11 you some information — MR. HOEFER: Mr. Chairman? 12 13 CHAIRMAN HAMILTON: Yes, sir. 14 MR. HOEFER: It's come to my attention that Ms. King may be affiliated with North Greenville College; they 15 are an Intervenor in this case. And as I understood Mr. 16 17 Butler's comments at the beginning, an Intervenor would 18 not be allowed to testify here and at the hearing in Columbia. 19 CHAIRMAN HAMILTON: Ma'am, do you understand 20 that, Ms. King, that if you are a part of North Greenville 21 group and if you testify here, you will not be able to intervene 22 in the Columbia hearing? So, you just have the choice of 23 which one you would prefer. 24 MR. DUKE K. McCALL JR.: May it please, Mr. 25 Chairman, I'm the attorney for North Greenville College.

| 1 | My name is Duke McCall with the Leatherwood law firm. |
|----|--|
| 2 | North Greenville would elect to appear on August 28 th in |
| 3 | Columbia as opposed to here. |
| 4 | CHAIRMAN HAMILTON: That will be fine, sir. We'll |
| 5 | expect you on that day. Thank you, sir. |
| 6 | MR. McCALL: All right, sir. |
| 7 | MR. BUTLER: We call Rebecca Zabel. Rebecca |
| 8 | Zabel, please. |
| 9 | MS. ZABEL: I am also an attorney representing |
| 10 | North Greenville, so I would [INAUDIBLE] Thank you. |
| 11 | MR. BUTLER: Thank you very much. |
| 12 | I'd like to call Ponease Gosnell, please. Ms. |
| 13 | Gosnell. |
| 14 | WHEREUPON, Ponease Gosnell, first being |
| 15 | duly sworn, assumes the stand and testifies as follows: |
| 16 | MS. BOYD: Could you state your name and |
| 17 | address for the record? |
| 18 | TESTIMONY BY PONEASE GOSNELL: |
| 19 | A My name is Mary Ponease Gosnell. I live at 213 River Forest Drive, Boiling |
| 20 | Springs, South Carolina. |
| 21 | I moved into this neighborhood twenty-some-odd years ago, and I have |
| 22 | experienced basically what everyone else here has said today that they have |
| 23 | experienced, which is, we feel like we're being double-taxed. We also feel like |
| 24 | we're not getting anything from service. When I moved in there was no notice |
| 25 | that I was going to be billed for sewage. I got a notice in the mail for a prior |

tenant — excuse me, owner of the home — and I tried to get in touch with these 1 2 people, and I couldn't. So, getting in touch with United Utilities, they tell me that 3 if I wanted to stay in that house and not have my sewage turned off, I would 4 also have to pay the previous three months, which I did. I paid their three months 5 and mine too. Time has gone on, I have another letter here from another lady that works 6 7 at [INAUDIBLE] today, and two people in our neighborhood asked that I represent 8 them, which [INAUDIBLE]. So, we do have people other than that are here that 9 are very concerned about what's going on. When we do have a problem in 10 the neighborhood with the sewage, [INAUDIBLE] we have a problem getting to 11 United Utilities to get them to come out and do something about the problem; 12 and then when something's done, they're trying to bill us for it when it's on 13 their property, and this is coming from some of my neighbors. 14 CHAIRMAN HAMILTON: Could you be more specific, 15 please, ma'am? Α [Ms. Gosnell] Other neighbors — 16 CHAIRMAN HAMILTON: Excuse me just a second. 17 18 MR. HOEFER: Mr. Chairman, to the extent that the 19 witness proposes to read the letter she brought, we would 20 object to that at this time. 21 Α [Ms. Gosnell] I'm not reading a letter. This is a letter served on one of my 22 neighbors. 23 MR. HOEFER: We would object on the grounds of 24 hearsay. 25

| 1 | | CHAIRMAN HAMILTON: If you would like to present |
|----|-----|---|
| 2 | | the letter — |
| 3 | Α | [Ms. Gosnell] But, sir, I was there and saw them put — |
| 4 | | CHAIRMAN HAMILTON: We'll rule on the objection |
| 5 | | in the final order. |
| 6 | Α | [Ms. Gosnell] I was there, and I saw what was going on. |
| 7 | | CHAIRMAN HAMILTON: Okay, if you can testify of |
| 8 | | your own knowledge, that would be much better. |
| 9 | Α | [Ms. Gosnell] All right. I saw them come out, and they made a big mess. They |
| 10 | | do not replant the grass or do anything that I have seen to correct any of the |
| 11 | | problems that they create. |
| 12 | EXA | MINATION BY CHAIRMAN HAMILTON: |
| 13 | Q | Was it a sewage backup that they were attempting to correct? |
| 14 | Α | Yes, right. |
| 15 | | Now, on the other side, I have a neighbor who's only been there maybe |
| 16 | | six or seven years, and they've had the same problem. They've been out there |
| 17 | | two or three times, and each time he's paid, and I've seen him write the check. |
| 18 | | And going forth in the same way, United Utilities has told him the same thing, |
| 19 | | you know, that he has to pay this. |
| 20 | | But, let's go on. I feel like we – it keeps going – our sewage bill keeps |
| 21 | | going up. I'm one person in one home. There's nowhere to meter it, there's |
| 22 | | nowhere to judge how much sewage I'm using for, say, a family down the street |
| 23 | | that has six or seven people living there. So I feel that we should be bought |
| 24 | | out by Fort Mill sewage sanitation system or we should be allowed to have a |
| 25 | | right to put in a septic tank. |

I think that the whole system is unfair. And, basically everything, to my 1 2 knowledge, has been said before, and I'm in agreement with everyone. 3 CHAIRMAN HAMILTON: Do any of the 4 Commissioners – Commissioner Wright. 5 **EXAMINATION BY COMMISSIONER WRIGHT:** 6 Q Ms. Gosnell, I want to go back to your previous tenant; when you moved in you 7 said you had to – you paid your bill plus their bill? 8 I paid three months for them, sir. 9 Q Was that ever settled between you and United? 10 Α No, sir. I called and called them, and what happened we could not find the 11 people that had moved; they moved out of state. They had a three month — 12 you understand what I'm saying, they owed three months. Yes, ma'am. 13 Q 14 Α And I had moved in, and they were three months behind, so I had to pick up 15 that bill to continue to live there, or that's what they told me anyway. Q That was never settled with you? 16 17 Α No, sir. I just finally went ahead and paid it to keep from getting bad credit or 18 late notices, which is what they were more or less telling me I was going to be 19 doing, you know. I have excellent credit and certainly didn't want to ruin it. 20 [INAUDIBLE] this is not really what this is all about. It's about our inability to be 21 able to seem to get through that we're overcharged for something that, I mean, 22 we're not really getting very much for it. You go in there and flush you commode 23 maybe once a day if you're home very much, you know, maybe three times. 24 Someone else down the street may flush his twenty times. 25 As far as the treatment of the sewage, you know, that's in addition to

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| 1 | | the charge which I'm being billed. I think mine comes to around \$42, \$41.89, |
| 2 | | something like that a month. |
| 3 | Q | I understand. I hear you loud and clear, very well, trying to get — you know, |
| 4 | | there's a lot of fairness issues here too, just want to be sure things are being |
| 5 | | handled properly from beginning to end. |
| 6 | | CHAIRMAN HAMILTON: Any other Commissioners? |
| 7 | <u>EXAI</u> | MINATION BY COMMISSIONER CLYBURN: |
| 8 | Q | Ms. Gosnell, what's the origin of the first name? |
| 9 | Α | Mary, I'm a Native American. My last name is American. |
| 10 | Q | Okay. So, Ponease, is that your – is it hyphened or is that – |
| 11 | Α | Mary — then Ponease is my middle name, and I'm addressed by my middle |
| 12 | | name. |
| 13 | Q | Okay, interesting name. That's not my question, I just wanted to – it's an |
| 14 | | interesting name. I kind of like that. Again, you made mention you wanted to |
| 15 | | maintain your credit so you went ahead and paid for three months of service |
| 16 | | that you did not use. |
| 17 | Α | Right. |
| 18 | Q | Were you able to just continue — |
| 19 | Α | It was no break in service. |
| 20 | Q | Okay. Thank you. |
| 21 | Α | I continued, when I paid it , they continued the service, you know. And, I do have |
| 22 | | a letter here from a lady in the neighborhood that couldn't come; could I — |
| 23 | Q | You're going to have to ask my Chairman. I know I may sound a little brassy |
| 24 | | and authoritative, but the guy in the middle is the guy you need to address. |
| 25 | | CHAIRMAN HAMILTON: Ms. Gosnell, we'll be |

Docket No. 2006-107-WS Volume 1 United Utility — Spartanburg happy to — if you'll give the letter to Ms. Boyd, we'll be 1 happy to accept it. You could mail it in the morning – 37¢, 2 3 we'll save you the 37¢. 39¢, we'll save you that, but it will be accepted and it'll be distributed. 4 5 MR. HOEFER: We object to that on the grounds of hearsay, Mr. Chairman. 6 7 CHAIRMAN HAMILTON: Yes, we'll note that. 8 Commissioner Fleming. 9 MS. GOSNELL: You could get in contact with this 10 lady by phone or letter, sir, if you'd like to, if you don't accept 11 my word for this. CHAIRMAN HAMILTON: Thank you. 12 **EXAMINATION BY COMMISSIONER FLEMING:** 13 Q 14 Ms. Gosnell, I wanted to ask — we've heard, you said this tonight, and we've 15 heard other people say this tonight — that you would like to go under the Spartanburg Sanitary Sewer District. Has the neighborhood or the subdivision 16 checked into the procedures that you go through to do that? 17 18 Α I have not done that. 19 Q Okay. I was just curious. Thank you. CHAIRMAN HAMILTON: Any other questions? Mr. 20 21 Hoefer. 22 **CROSS EXAMINATION BY MR. HOEFER:** Q 23 Yes, Ms. Gosnell, did you move into the house in 1986, did you say?

24

25

Α

twenty-some-odd years.

It was in the '80s, sir. I'm not exactly sure what year, but I've been living here

| 1 | Q | Okay. The neighbor – |
|----|---|---|
| 2 | Α | [INAUDIBLE]. |
| 3 | Q | The neighbor where you witnessed the sewer backup, what was that neighbor's |
| 4 | | address? |
| 5 | Α | I have – Mr. Fowler, who is here today, and I also have a neighbor that is not |
| 6 | | here, and his has been backed up two or three times. |
| 7 | Q | I'm talking about the specific incident you said you witnessed personally where |
| 8 | | there was a sewer backup, and I think you described it as being a mess. |
| 9 | Α | Right, yeah. That'd be Mr. Fowler. He's on my – if you're looking at my house, |
| 10 | | Mr. Fowler is — |
| 11 | | FROM THE AUDIENCE: On your left. |
| 12 | Α | [Ms. Gosnell] Yeah, on the left, okay. The other neighbor is on my right. I can't |
| 13 | | remember his last name. There are two families that are living there, sir. Not |
| 14 | | two families; a young woman with three children and her father are living there |
| 15 | | and that's why I'm getting [INAUDIBLE]. |
| 16 | Q | So, you think it would've been 215 River Forest Drive? Is he on one side of |
| 17 | | your house or the other? |
| 18 | | [Short Pause] |
| 19 | | FROM THE AUDIENCE: On your left. |
| 20 | | CHAIRMAN HAMILTON: Ms. Gosnell, you have to |
| 21 | | speak into the microphone for us. |
| 22 | Α | [Ms. Gosnell] I'm so sorry, excuse me, please. |
| 23 | | CHAIRMAN HAMILTON: You have to give us your |
| 24 | | attention. |
| 25 | Α | [Ms. Gosnell] I'm sorry. I'm trying to figure out where I am on the street. |

| 1 | | CHAIRMAN HAMILTON: We understand. Thank |
|----|------|---|
| 2 | | you, ma'am. |
| 3 | | Any other questions? |
| 4 | | MR. HOEFER: I just have one more question. |
| 5 | Q | [Mr. Hoefer] Can you tell me when you complained to the company regarding |
| 6 | | any of the matters you spoke about? |
| 7 | Α | I cannot tell you an exact dates. When I first moved in, of course, I talked to |
| 8 | | them quite a bit, and as time goes on, the last meeting, I was not able to be |
| 9 | | here because my husband had cancer. He was in bed, and I was taking care |
| 10 | | of him 24/7. And unfortunately, I missed that meeting, but there was nothing I |
| 11 | | could do about missing that meeting, sir. |
| 12 | | MR. HOEFER: No more questions, Mr. Chairman. |
| 13 | | CHAIRMAN HAMILTON: Thank you ma'am, very |
| 14 | | much. |
| 15 | Α | [Ms. Gosnell] You're welcome. |
| 16 | | MR. BUTLER: I'd like to call Margaret Wilson, |
| 17 | | please. |
| 18 | | WHEREUPON, Margaret Wilson first being duly |
| 19 | | sworn, assumes the stand and testifies as follows: |
| 20 | | MS. BOYD: Would you state your name and |
| 21 | | address for the record, please? |
| 22 | TEST | TIMONY BY MARGARET WILSON: |
| 23 | Α | I'm Margaret Wilson. I live at 108 Forestview Drive, which is in the same sub- |
| 24 | | division as Ms. Gosnell, and I'm here in concern because of the prospective |
| 25 | | rate increase of United Utilities. |

We bought our home less than five years ago in March and at that time when we signed at closing, there was no disclosure of a separate utilities company. We were in the house about two months, and I had a serviceman knock at my door and inform me that they would begin sending us a statement for our sewage bill, otherwise I [INAUDIBLE]. so I did pay them.

When they asked for a rate increase of 65% a couple of years ago, we did contact United Utilities. I did talk to them. They were very rude and not wanting to address the situation with me at all. Their statement to me was that they had not had a rate increase in the last ten years and that they thought it was very fair for them to ask for the rate increase. At that time, we were paying approximately \$25 a month for sewage. They did get the approval of the 65%, and our rates increased from \$25to \$45 a month for sewage at this time, and the other 35% that they're requesting, I think that'd probably put me over \$50 a month.

[Cellphone Ringing]

My daughter that lives over near Spartanburg, and she pays approximately \$40 a month for her sewage. I think it comes out to about [INAUDIBLE] a month on her monthly bill. I would like to see somewhere comparable to that. I do think it's unfair for a utility company to have a complete monopoly on us, and I'm going to investigate the procedure for deregulating the area so that we might be able to have a septic tank ourself, and not have to be straddled with that bill. I do express my desire to you to not let them use that 35% as a rate increase [INAUDIBLE]. I certainly support the man who said that we need to put our citizens of South Carolina before we do in [INAUDIBLE].

CHAIRMAN HAMILTON: Does any Commissioner

| 1 | have any questions? |
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| 2 | [No Response] |
| 3 | CHAIRMAN HAMILTON: Thank you ma'am, very |
| 4 | much. |
| 5 | MR. BUTLER: Mr. Chairman, that does complete |
| 6 | the list of public witnesses. |
| 7 | MR. FOWLER: One more – I had a question mark. |
| 8 | CHAIRMAN HAMILTON: Okay, you've got to come |
| 9 | to the front, please sir. |
| 10 | WHEREUPON, Jimmy Fowler, first being duly sworn, |
| 11 | assumes the stand and testifies as follows: |
| 12 | MS. BOYD: Would you state your name and address |
| 13 | for the record, please? |
| 14 | TESTIMONY BY JIMMY FOWLER: |
| 15 | A Jimmy Fowler, 215 River Forest Drive. And I think I have a solution for United |
| 16 | Utilities. I have from good sources that the local sewer company is willing to |
| 17 | sit down and discuss a price for that sewer system, if they are willing to sell. |
| 18 | So, all he's got to do — if they're headed for harder times, sell the thing. I've |
| 19 | got a buyer. |
| 20 | CHAIRMAN HAMILTON: Excuse me, sir. Do we |
| 21 | have any other questions? |
| 22 | [No Response] |
| 23 | CHAIRMAN HAMILTON: Mr. Hoefer? |
| 24 | MR. HOEFER: No questions, Mr. Chairman. |
| 25 | CHAIRMAN HAMILTON: Thank you sir, very much. |

| 1 | MR. FOWLER: Yes, sir. |
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| 2 | CHAIRMAN HAMILTON: Do we have anyone else |
| 3 | that had not signed up and has something that they would |
| 4 | like to add to this hearing? |
| 5 | [No Response] |
| 6 | CHAIRMAN HAMILTON: I'm going to ask our |
| 7 | attorney to give you some information concerning North |
| 8 | Greenville; we want to make sure that everyone's aware |
| 9 | of it. |
| 10 | MR. BUTLER: Yes, I just wanted to remind the folks |
| 11 | in North Greenville that your Petition to Intervene is still |
| 12 | pending. There is a Motion to deny your intervention. That |
| 13 | has not been ruled upon yet, and I just wanted to make sure |
| 14 | that our discussion tonight did not give you the impression |
| 15 | that that Motion had been ruled on, because it has not |
| 16 | been formally ruled on at this time. |
| 17 | MR. McCALL: I think that Motion is to limit our |
| 18 | intervention or to limit the extent of the intervention. I don't |
| 19 | believe it's a Motion to dismiss the Petition to Intervene |
| 20 | per se, and I think it's [INAUDIBLE]. |
| 21 | MR. BUTLER: All right, sir. Well, do you still wish to |
| 22 | reserve your right to appear in Columbia? |
| 23 | MR. MCCALL: Yes, sir. |
| 24 | MR. BUTLER: All right. Thank you very much. |
| 25 | MR. HOEFER: Mr. Chairman, Mr. McCall is |

| 1 | correct. |
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| 2 | MR. BUTLER: Okay. I apologize. I misstated that |
| 3 | Motion, but under these conditions, you're still invited to |
| 4 | Columbia. |
| 5 | We might have one more person who said they |
| 6 | wanted to appear tonight, Scott Bagwell. Do you want to |
| 7 | appear Mr. Bagwell? |
| 8 | MR. BAGWELL: I guess. |
| 9 | MR. BUTLER: Come on forward. |
| 10 | WHEREUPON, Scott Bagwell, first being duly |
| 11 | sworn, assumes the stand and testifies as follows: |
| 12 | MS. BOYD: State your name and address for the |
| 13 | record, please. |
| 14 | TESTIMONY BY SCOTT BAGWELL: |
| 15 | A Scott Bagwell, 228 River Forest Drive, Spartanburg, South Carolina 29306. |
| 16 | I guess I want to say that, about the sewer rate, I think we're paying too |
| 17 | much. I think we're paying way too much, because, I mean, everybody else, |
| 18 | people out there in Inman and stuff like that, they're paying about a third of what |
| 19 | we're paying for their sewer, water, and everything. Actually, they're paying about |
| 20 | half, about \$40 a month for water and sewer and everything. |
| 21 | That's the way I feel, I mean, that's what I had to say. |
| 22 | CHAIDMAN HAMILTON: Thank you sir Doos |
| 23 | CHAIRMAN HAMILTON: Thank you sir. Does |
| 24 | anyone have any questions? |
| 25 26 | |

| 1 | EXAN | MINATION BY COMMISSIONER CLYBURN: |
|----|------|--|
| 2 | Q | Mr. Bagwell, how long have you live on River Forest Drive? |
| 3 | Α | Since 1990. |
| 4 | Q | In terms of – well, I guess, you know, being that we're just dealing with sewer, |
| 5 | | have you ever had any issues with the sewer part of your sewer experience |
| 6 | | since 1990? Have you ever had any negative issues as it relates to the service, |
| 7 | | sewer service? Have you ever had a back-up in your system? |
| 8 | Α | I have one time. |
| 9 | Q | Was that taken care of fairly, from your perspective? |
| 10 | Α | They come out and took care of it, yeah. |
| 11 | Q | Okay. Thank you. |
| 12 | | CHAIRMAN HAMILTON: Thank you sir, very much. |
| 13 | | MR. BAGWELL: You're welcome. |
| 14 | | CHAIRMAN HAMILTON: Is there anyone else? |
| 15 | | Yes, ma'am? |
| 16 | | FROM THE AUDIENCE: I've already been up |
| 17 | | there one time, but I wanted to ask if [INAUDIBLE]. |
| 18 | | CHAIRMAN HAMILTON: Normally you just get |
| 19 | | one shot. |
| 20 | | FROM THE AUDIENCE: All right. |
| 21 | | CHAIRMAN HAMILTON: All right, is there anyone |
| 22 | | else that has not had an opportunity? |
| 23 | | [No Response] |
| 24 | | CHAIRMAN HAMILTON: If not, we would like to |
| 25 | | thank each of you that attended tonight, and we assure |

| 1 | you those that did testify before the Commission, that |
|----|---|
| 2 | your information is recorded and will be on the record, |
| 3 | and you will be able to see it on the computer. I'm going |
| 4 | to let the attorney give you some information as to how |
| 5 | you can get any information that you need concerning the |
| 6 | docket. |
| 7 | MR. BUTLER: Okay, thank you, Mr. Chairman. |
| 8 | We have a Commission website where you can view all |
| 9 | the information on this case in case you haven't already |
| 10 | found it. Go to www.psc.sc.gov, and I'll give that again, |
| 11 | www.psc.sc.gov, and again, as I mentioned at the beginning |
| 12 | of the hearing, we're going to have some more public |
| 13 | hearings. In addition to that, we will have an evidentiary |
| 14 | hearing in Columbia on August 28 th , which is a Monday, |
| 15 | at 10:30, in the offices of the Public Service Commission, |
| 16 | and that is located at 101 Executive Center Drive in Columbia, |
| 17 | South Carolina. A gain, if you go to that website that I just |
| 18 | mentioned, you can find directions to that location on that |
| 19 | website, if you'd like to attend the additional evidentiary |
| 20 | hearing. |
| 21 | Thank you. |
| 22 | CHAIRMAN HAMILTON: Before we close, I'd like |
| 23 | to remind you again, those of you that did have questions |
| 24 | that you desire an answer, we have individuals from ORS |
| 25 | that will be on this side and individuals from the company |

Volume 1 Docket No. 2006-107-WS United Utility — Spartanburg that will be on this side; and feel free to discuss any issue 1 that you might have with them. 2 Thank you for attending. 3 4 5 [WHEREUPON, at approximately 7:55 P.M., on July 17, 6 2006, the Hearing was adjourned.] 7 8 MaryJane Cooper, Certified Court Reporter Public Service Commission of South Carolina 10 101 Executive Center Drive, Columbia SC 29210 11 P.O. Box 11649, Columbia SC 29211 12 **2** (803) 896-5108 13 MaryJane.Cooper@psc.sc.gov